

Review of pay and grading for Corporate and Extended Leadership Team

For



**South Staffordshire
Council**

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EXECUTIVE SUMMARY

This report has been commissioned by South Staffordshire Council to review market pay data for the Council's senior posts.

The report is an accurate review of Corporate and Assistant Director salaries from comparable District Councils and provides a strong and relevant data set.

Harris Burns undertook a similar exercise for CEO salaries in 2021 and reviewed the data sets of different comparison groups and it was determined that District Councils in the Staffordshire area provided an accurate market pay benchmark area. The Council has specified the same benchmark area for this exercise.

It should be noted that every Council is different in relation to service delivery, shared service arrangements and management structures. The data is a guide and a sense check for salaries of senior managers in local government within the local area.

The recruitment market is challenging and developing at a pace due to a number of external influences and should be factored into decisions.

1. Our Approach

Westwood Harris Burns has collected data from public sources as follows:

- Statement of Accounts 21/22, the latest version available at the time of writing. Published statutory statements should give consistency of data and be directly comparable. Inconsistency in how allowances (car allowances, professional fees and election expenses) are reported by Council's has been noted. Note that the subsequent pay awards need adding to the average; specifically the 2022/23 pay award of £1,925 and the 2023/2024 pay award of 3.5%
- Pay Policy Statements. These are published at various times and cover different financial years and it is not always clarified where pay awards have been included. Where available, the statements have been used to sense check the annual accounts and to check the salary ranges.

The data snapshot period was May 2023 in line with the previous pay review in 2021. This does not include the April 2022 pay award which was not agreed until June 2022.

The data sources are quoted in Appendix 1. To enable larger print format, only key data is included in the report.

Appendix 2 details the April 2022 pay award. Appendix 3 includes the latest pay award announced in May 2023.

The Council's pay policy is to be in the median quartile of comparable organisations.

As there can be some variance in functions and a range of salaries is paid, our methodology is to calculate an average. The calculation is based on whole year salaries divided by the number of posts. Excluded part-year salaries have been highlighted in the notes. The full range is stated for sense check purposes.

Due to the small comparison group, the mid-range has been highlighted vs a true mid-quartile. This average of this is used to make recommendations.

2. Pay Benchmarking

2.1 Corporate Leadership Team

At the time of writing, a spot salary of £89,647 is paid to Corporate Directors. This includes the April 22 and April 23 pay awards. This is lower than the majority of the comparison group who have Corporate Directors in their structure.

Four of the Councils show a pay range in published pay policies. It is noted that the officer in post at Lichfield District Council is newly appointed and on the first point of scale. Each other Corporate Director is at the top of scale with significant time in post.

The variance in the structure and allocation of portfolios amongst senior teams made direct comparison of individual posts immaterial. For instance, the S151 responsibilities are split between Corporate Director and Head of Service level with instances of shared services across councils.

The median quartile methodology excludes outliers. The author considers the Staffordshire Moorlands District Council and High Peak Borough Councils salaries to be overly inflated and not comparable and excluded them when determining the medium point.

	21/22 Statement of Accounts	Number	Notes
Staffordshire Moorlands District Council and High Peak	£120,936	2	2 Exec Directors left during the year.
East Staffordshire Borough Council	£95,536	2	
Newcastle Under Lyme District Council	£95,061	2	
Tamworth Borough Council	£92,417	3	£5319 Head of Paid Service Allowance excluded
Lichfield District Council	£87,000*	1	*Estimated from part year salary to establish level
Cannock Chase District Council	n/a	1	
Stafford Borough Council	n/a	0	Head of Service only

Middle Quartile £93,739
 April 22 Pay Award £1,925
Average £95,664

April 23 Pay award of 3.5% £3,348.24
Recommended Top of Scale £99,012

2.2 Extended Leadership Team

The SSDC salary range for Assistant Directors is £68,252 to £70,411, inclusive of the April 22 and April 23 pay awards.

	21/22 Statement of Accounts	Number	Notes
Stafford Borough Council *1	£74,114	5	Range £64,041 - £85,127
Tamworth Borough Council *2	£73,748	7	Range £69,014 - £80,014
Cannock Chase District Council *3	£69,079	3	Up to £70,579
Lichfield District Council *4	£66,638	4	Range £65,916 - £66,879
Newcastle Under Lyme District Council *5	£63,456	6	Range £57,674 - £72,329
Staffordshire Moorlands District Council *6 and 7	£62,116	5	Range £58,610 - £64,424
East Staffordshire Borough Council *8	n/a		

Middle Quartile	£67,859
Pay award	<u>£1,925</u>
Average	£69,784

April 23 Pay award of 3.5%	<u>£2,442.42</u>
Recommended Top of Scale	<u>£72,226</u>

Notes:

- *1 Stafford Borough Council and Cannock Chase District Council operate several shared services operating across both councils
- *2 Tamworth Borough Council had one Head of Service left mid-year.
- *3 Cannock Chase District Council had an Interim Head of Finance and Interim Head of Environment who worked part years. Salaries were stated at £57,441 and £51,372 respectively. Whole year equivalents were not stated. Heads of Services receive a broadband allowance of £1500 that has been deducted from these figures. The Head of Governance appears to receive election fees or a separate allowance that has been excluded
- *4 Lichfield District Council restructured meaning 5 posts transferred, left or started during the period of accounting. Note that the pay policy states they introduced a new band of £72,063 to £79,290 in summer 2022.
- *5 Newcastle Under Lyme Borough Council had three posts that changed during the year with part-year salaries.
- *6 Staffordshire Moorlands District Council and High Peak Borough Council work together as a strategic alliance and the workforce is shared. High Peak in Derbyshire and outside of our scope but we double checked the ELT salaries which are within the range of the SMDC salaries.
- *7 Staffordshire Moorlands District Council had two leavers during the year. They provide lease car payments and are currently reviewing salaries
- *8 East Staffordshire Borough Council had a change in the Borough Solicitor mid-year. The only other non-chief officer that met the criteria is at manager level vs Assistant Director

The top of the SSDC salary range for Assistant Directors is £1,815 below the average in the comparison group.

The review of the recent pay policies highlighted:

- Lichfield District Council introduced new bandings for Assistant Directors following the implementation of the new target operating model to deliver Being a Better Council in Summer 2022. The new range is £72,063 to £79,290.
- Officers at Staffordshire Moorlands District Council are all remunerated on Grade 1 with a range of £54,164 to £64,420. The 22/23 Pay Policy introduced a Grade 2 with a range of £66,984 to £77,239.
- The pay policy statement for Cannock Chase District Council and Stafford Borough Council confirms that the Councils will be implementing a shared leadership team from April 23 which will result in changes to the structure and salaries. The published structure indicates salaries of £75,000 to £85,000

These pay policies indicate an upward trajectory of pay ranges for Assistant Directors further supporting an increase in the top of the South Staffordshire District Council pay scale.

3. Recommendations regarding current salaries

3.1 The pay analysis clearly supports a pay increase for the Corporate Leadership Team.

Mirroring the method of calculation used for the CEO review, the recommended highest point, inclusive of both April 22 and April 23 pay awards, is £99,012.

We would further recommend the Personal Development Review and Appointments Panel mirror the benchmark group and introduce a pay scale to differentiate between size of portfolio and experience in post.

3.2 The pay analysis for the Extended Leadership Team also shows an upward trend in salaries and suggest that the pay scale for Assistant Directors are marginally below comparable organisations. It is recommended that the upper salary scale be increased to £72,226.

We would further recommend that the current pay scale be adapted to smooth transition for individuals progressing through the scale.

3.3 Whilst conducting the pay analysis, we were notified that the Council was recruiting to a Director of Finance S.151. Due to the varying structures and allocation of portfolios, direct comparisons are invalid. Based on the job role and our professional experience of statutory finance roles alongside the pay data available, I suggest a salary in the region of £90,000 be considered as the market rate.

3.4 Recent pay policies indicate an uplift in senior salaries driven by structural changes and the challenging operating environment. The Chief Executive salary was outside of the scope of this review. The author suggests the committee consider the timing of the next review to ensure the mid quartile position is retained.

Appendix 1 – Sources of Data

At the time of writing the 22/23 Annual Accounts had not been published. Note that these links are for the 21/22 Statement of Accounts.

	Link to Annual Accounts	Page Reference
Cannock Chase District Council	https://www.cannockchasedc.gov.uk/sites/default/files/cannock-statement-of-accounts-subject-to-audit-2021-2022.pdf	Pg 72
East Staffordshire Borough Council	https://www.eaststaffsbc.gov.uk/sites/default/files/docs/finance/StatementofAccounts2021-22%28SubjecttoAudit%29.pdf	Pg 76
High Peak Borough Council	https://www.highpeak.gov.uk/media/7448/HPBC-Draft-Statement-of-Accounts-2021---2022/pdf/01_High_Peak_Borough_2122_DRAFT.pdf?m=1659100814367	Pg 41
Lichfield District Council	https://www.lichfielddc.gov.uk/downloads/file/2055/statement-of-accounts-2021-22-unaudited	Pg 90
Newcastle Under Lyme District Council	https://www.newcastle-staffs.gov.uk/downloads/download/148/statement-of-accounts	Pg 53
Stafford Borough Council	https://www.staffordbc.gov.uk/sites/default/files/cme/DocMan1/Financial%20Planning/Statement-of-Accounts-2021-2022/Statement-of-Accounts-Subject-to-Audit-2021-2022.pdf	Pg 69
Staffordshire Moorlands District Council	https://www.staffs Moorlands.gov.uk/media/7844/DRAFT-Statement-of-Accounts-2021-2022/pdf/DRAFT_Staffordshire_Moorlands_a.pdf?m=1678270409507	Pg 35
Tamworth Borough Council	https://www.tamworth.gov.uk/our-accounts	Pg 95

	Link to Pay Policy	Page Reference
Cannock Chase District Council	https://www.cannockchasedc.gov.uk/sites/default/files/05-pay_policy_statement_2022-23_rpt_council_020322.pdf	Pg 7
East Staffordshire Borough Council	https://www.eaststaffsbc.gov.uk/sites/default/files/docs/opendata/pay-policy-statement-2021.pdf	Pg 2
High Peak Borough Council	https://www.highpeak.gov.uk/media/787/Pay-Policy-Statement-2022-23-Appendix-A/pdf/Appendix_A_to_pay_policy_statement_HP.pdf?m=1662632881987	Pg 3
Lichfield District Council	https://democracy.lichfielddc.gov.uk/documents/s12241/Item%2011%20-%20Appendix%20A%20-%20Revised%20Pay%20Policy%20Statement%202022.pdf	Pg 5-6
Newcastle Under Lyme District Council	https://moderngov.newcastle-staffs.gov.uk/documents/s34832/PayPolicyStatement%2021-22%20FINAL.pdf	Pg 2-3
Stafford Borough Council	https://www.staffordbc.gov.uk/sites/default/files/cme/DocMan1/Policy%20and%20Plans/Pay-Policy-Statement-2022-2023_0.pdf	Pg 5
Staffordshire Moorlands District Council	https://www.staffs Moorlands.gov.uk/media/449/SMDC-Pay-Policy-Statement-2022---23---Appendix-A/pdf/Public_reports_pack_23022022_1830_Council_SMDC_1.pdf?m=1649167787763	Pg 3-4
Tamworth Borough Council	https://democracy.tamworth.gov.uk/documents/s32594/Appendix%201%20Pay%20Policy%20Statement%202022.pdf	Pg 7

National Employers for local government services

George Georgiou
Officers' Side Secretary
JNC for Chief Officers of Local Authorities
GMB Mary Turner House, 22 Stephenson Way
London
NW1 2HD

25 July 2022

Dear George

CHIEF OFFICER PAY 2022

Thank you for the Officers' Side's pay claim, which was received on 6 June. As you know, the employers moved quickly to brief councils on it, with that process concluding on 27 June. The National Employers met today and agreed to respond formally to your pay claim.

The National Employers wish to make the following final, one-year offer:

- With effect from 1 April 2022, an increase of £1,925 on basic salary¹

In making this final pay offer today, the employers agreed that it was appropriate for it to match the offers they have made to the other negotiating groups for which they have responsibility.

The Officers' claim also asserted that, *"The JNC employers agreed in August 2020 'to conduct a joint survey of all local authorities in order to establish the extent of the gender pay gap among Chief Officers, after which they will agree a joint approach on how to remove any such gender pay gap.'"*

In fact, it was a joint agreement, rather than just a commitment by the employers. I remind you that the 2020 JNC pay deal circular (dated 24 August 2020) included:

"The JNC has also agreed to conduct a joint survey of all local authorities in order to establish the extent of the gender pay gap among Chief Officers, after which they will agree a joint approach on how to remove any such gender pay gap. The JNC has further agreed to enter into discussions to agree a new package to improve Chief Officers' work-life balance."

The JNC Joint Secretaries subsequently met on 4 November 2020 and the Officers' Side undertook to share with us the data they held, which we would examine and use as the basis of a joint survey. The data was never sent to us. Should you now be in a position to share the data, the employers are content for this matter to be taken forward by the JNC Joint Secretaries.

The National Employers hope this final offer can quickly form the basis of an agreement between the two Sides so that Chief Officers, who continue to provide such critical support to their communities, can receive a pay rise as soon as practicable.

Yours sincerely,

Naomi Cooke

Naomi Cooke
Employers' Secretary

cc Mike Short, UNISON

Appendix 3 – April 23 Pay Award

Joint Negotiating Committee for Chief Officers of Local Authorities

To: Chief Executives in England and Wales (NI Ireland for Information)
(to be shared with Finance Director and HR Director)
Regional Employer Organisations
Members of the Joint Negotiating Committee

5 May 2023

Dear Chief Executive,

CHIEF OFFICERS' PAY AGREEMENT 2023

Employers are encouraged to implement this pay award as swiftly as possible.

Agreement has now been reached on the pay award applicable from 1 April 2023 (covering the period 1 April 2023 to 31 March 2024).

The individual basic salaries¹ of all officers within scope of the JNC for Chief Officers of local authorities should be increased by 3.60 per cent with effect from 1 April 2023 (NB: this increase applies to individual salaries as well as pay points, if applicable).

Backpay for employees who have left employment since 1 April 2023

If requested by an ex-employee to do so, we recommend that employers should pay any monies due to that employee from 1 April 2023 to the employee's last day of employment.

When salary arrears are paid to ex-employees who were in the LGPS, the employer must inform its local LGPS fund. Employers will need to amend the CARE and final pay figures (if the ex-employee has pre-April 2014 LGPS membership) accordingly.

Further detail is provided in [section 15 of the HR guide](#) and [the Backdated Pay Award FAQs](#), which are available on the [employer resources section](#) of www.lgpa.org.uk.

Yours faithfully,

Naomi Cooke

Naomi Cooke

George Georgiou

George Georgiou

cc Ruth Levin, UNISON

¹ Basic salary should exclude other separately identified payments such as Returning Officer fees etc.

Employer's Secretary: Naomi Cooke Local Government Association 10 Smith Square London SW1P 3HZ info@lga.org.uk	Officer's Secretary: George Georgiou GMU Mary Turner House 23 Stephenson Way London NW1 2HD info@gmuk.org.uk
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Appendix 4 – Quality Assurance Statement

We hereby confirm that the information provided in this document has undergone a rigorous process of peer review to ensure its accuracy, reliability, and adherence to established standards. The information contained in this document is derived from the publicly available statutory statements of various councils.

Our quality assurance procedures include careful selection of peer reviewers who possess subject matter expertise and a commitment to impartial evaluation. These reviewers have critically assessed the information for factual correctness, logical coherence, and adherence to recognized principles and guidelines.

Furthermore, the sources of information referenced in this document are publicly accessible and widely recognized as authoritative, originating from council statutory statements. These statements are legally mandated and provide official information pertaining to the activities, policies, and decisions of the respective councils.

While every effort has been made to ensure the accuracy and reliability of the information presented, it is important to note that no system is entirely free from errors or omissions. Therefore, readers are encouraged to independently verify and cross-reference the information provided with other credible sources to obtain a comprehensive understanding.

This Information Quality Assurance Statement serves as a testament to our commitment to upholding the highest standards of accuracy and reliability in the information we present, based on the peer-reviewed council statutory statements available in the public domain.

Heather Clarke
Associate
Westwood Harris Burns